

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF DUKE ENERGY)	CASE NO. 2010-00234
KENTUCKY, INC.)	

O R D E R

On December 29, 2009, in Case No. 2009-00202,¹ the Commission approved rates for Duke Energy Kentucky, Inc. ("Duke") and provided for their further adjustment in accordance with Duke's Gas Cost Adjustment ("GCA") clause.

On June 11, 2010, Duke filed its GCA to be effective July 1, 2010.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Duke's notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Duke's Expected Gas Cost ("EGC") is \$6.713 per Mcf, which is an increase of \$.311 per Mcf from its previous EGC of \$6.402 per Mcf.
3. Duke's notice sets out its total Refund Adjustment ("RA") of (\$.003) per Mcf, which represents no change from its previous total RA.
4. Duke's notice sets out its total Actual Adjustment ("AA") of \$.133 per Mcf, which represents no change from its previous total AA.

¹ Case No. 2009-00202, Application of Duke Energy Kentucky, Inc. for an Adjustment of Rates (Ky. PSC Dec. 29, 2009).

5. Duke's notice sets out its total Balancing Adjustment ("BA") of (\$.017) per Mcf, which represents no change from its previous total BA.

6. Duke's Gas Cost Recovery ("GCR") rate is \$6.826 per Mcf, which is an increase of \$.311 per Mcf from its previous GCR of \$6.515 per Mcf.

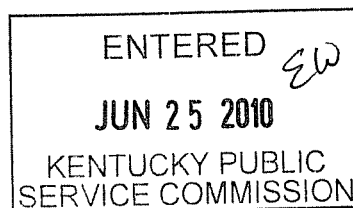
7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Duke on and after July 1, 2010.

IT IS THEREFORE ORDERED that:

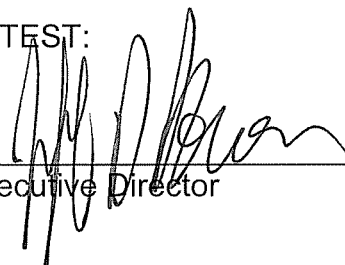
1. The rates in the Appendix to this Order are approved for final meter readings on and after July 1, 2010.

2. Within 20 days of the date of this Order, Duke shall file its revised tariffs with this Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00234 DATED **JUN 25 2010**

The following rates and charges are prescribed for the customers served by Duke Energy Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

GAS SERVICE RATES

RATE RS RESIDENTIAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.37213	plus	\$.6826	\$1.05473

RATE GS GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.20530		\$.6826	\$.8879

RIDER GCAT GAS COST ADJUSTMENT TRANSITION RIDER

The amount of this charge or (credit) shall be \$.0113 per 100 cubic feet. This rate shall be in effect during the months of June 2010 through August 2010 and shall be updated quarterly, concurrent with the Company's GCA filings.

Dana Patten
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